



1024 Suncook Valley Hwy. Unit C5  
PO Box 1071, Epsom, NH 03234-1071

General Law Committee  
Tuesday March 11, 2014

CT General Assembly  
SB 299- Prepaid Consumer Heating Fuel Contract Guaranty Fund

I am Joseph Rose, President / CEO of the Propane Gas Association of New England; here today representing the 101 Connecticut based members of our organization who sell propane to Connecticut consumers.

We strongly oppose SB 299 as presented. The propane industry believes that consumers need to be protected and one of the ways our industry does that is with the significant assets that we own in the tanks at our customer's homes. A mandatory guarantee fund simply provides another pot of money, paid for by propane consumers that can be utilized for other purposes down the road.

Our organization has been working with legislators and the Connecticut Energy Marketers Association to come up with a solution to protect consumers without adding costs. Connecticut is not alone in this prebuy activity. Other New England states have taken action in recent years and in the current legislative session in New Hampshire the winter moratorium on selling prebuy for the following heating season has just passed out of committee and is on the house calendar with our support. Providing a Moratorium that does not allow companies to sell home heating fuel until the end of one winter for the following season prevents companies from using next year's heating fuel funds to get through the rest of this season offering consumers significant protection!

Asking dealers to register and report is also an effective tool as would posting that information on a web site, as competitors can police activity for the DCP when they lose a customer to someone not on the list!

We strongly urge you to substitute the proposed language from CEMA to add protection to consumers and abandon this guarantee fund idea which will add costs and create another expensive beaurocracy that is simply not necessary.

I would be happy to answer any questions that you might have.

A handwritten signature in dark ink, appearing to read "J. Rose", is written over a faint, circular, textured background.

Joseph U. Rose  
President / CEO